

CPE Violation Penalties

Guidelines

Approved April 27, 2017

I. STATEMENT OF INTENT

To assist in the efficient, effective, and fair resolution of continuing professional education (“CPE”) deficiencies, these guidelines have been provided to the Virginia Board of Accountancy’s (“the Board”) Enforcement Division staff and Enforcement Committee. A “case” as used in the guidelines below includes both failed CPE compliance reviews and disciplinary investigations where CPE deficiencies are discovered.

If warranted by the particular facts and circumstances of a Respondent’s case, the Board has delegated the authority to the Enforcement Committee to depart from the guidelines. Enforcement Division staff have not been delegated this authority and therefore cannot alter or negotiate the terms and conditions associated with a given category.

These guidelines are intended as a supplement to the Board’s adjudication manual.

II. NON-COMPOUNDING PENALTIES

Penalties listed in this chart do not combine or “stack” with one another, though they may be combined with one or more of the penalties listed in the chart under Part III, “Compounding Penalties.”

Deficiency	1 st Case (self-report)	1 st Case (all others)	2 nd Case (all)	3 rd Case (all)
Deficient < 10 hours in a reporting period (other than ethics and/or A&A)	<ul style="list-style-type: none"> • Reprimand • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement 	<ul style="list-style-type: none"> • \$250 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$500 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$750 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Suspension of license for 1 year • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement

Deficiency	1st Case (self-report)	1st Case (all others)	2nd Case (all)	3rd Case (all)
Deficient 10–20 hours in a reporting period	<ul style="list-style-type: none"> • \$250 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$500 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$750 monetary penalty • Suspension of license for 1 year • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement 	<ul style="list-style-type: none"> • \$1,000 monetary penalty • Revocation of license • May apply for reinstatement no sooner than 5 years after date of disciplinary action • Must come before the Board to be considered for reinstatement • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement
Deficient 21–40 hours in a reporting period	<ul style="list-style-type: none"> • \$500 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$750 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$1,000 monetary penalty • Suspension of license for 1 year • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement 	<ul style="list-style-type: none"> • \$2,000 monetary penalty • Revocation of license • May apply for reinstatement no sooner than 5 years after date of disciplinary action • Must come before the Board to be considered for reinstatement • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement

Deficiency	1st Case (self-report)	1st Case (all others)	2nd Case (all)	3rd Case (all)
Deficient 41–90 hours in a reporting period	<ul style="list-style-type: none"> • \$625 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 90 days (as offered) • Must make up deficient CPE for each year of reporting period within 90 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$875 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 90 days (as offered) • Must make up deficient CPE for each year of reporting period within 90 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$1,125 monetary penalty • Suspension of license for 1 year • Submit proof of completion of current year’s Virginia-specific ethics course within 90 days (as offered) • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement 	<ul style="list-style-type: none"> • \$2,000 monetary penalty • Revocation of license • May apply for reinstatement no sooner than 5 years after date of disciplinary action • Must come before the Board to be considered for reinstatement • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement
Deficient > 90 hours in a reporting period	<ul style="list-style-type: none"> • \$750 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 90 days (as offered) • Must make up deficient CPE for each year of reporting period within 90 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$1,000 monetary penalty • Suspension of license for 1 year • Submit proof of completion of current year’s Virginia-specific ethics course within 90 days (as offered) • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement 	<ul style="list-style-type: none"> • \$2,000 monetary penalty • Suspension of license for 3 years • Must come before the Board to be considered for reinstatement • Submit proof of completion of current year’s Virginia-specific ethics course within 90 days (as offered) • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement 	<ul style="list-style-type: none"> • \$3,000 monetary penalty • Revocation of license • May apply for reinstatement no sooner than 5 years after date of disciplinary action • Must come before the Board to be considered for reinstatement • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement

III. COMPOUNDING PENALTIES

Penalties listed in this chart may be imposed individually, or may be combined with each other or with any single penalty listed in the chart under Part II, “Non-Compounding Penalties.”

Deficiency	1 st Case (self-report)	1 st Case (all others)	2 nd Case (all)	3 rd Case (all)
Failure to take Virginia-specific ethics course only in any given calendar year(s)	<ul style="list-style-type: none"> • Reprimand • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) 	<ul style="list-style-type: none"> • \$250 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$500 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • 1,000-word essay on “Virginia statutes and regulations regarding CPE requirements and how they protect the public” • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$750 monetary penalty • Submit proof of completion of current year’s Virginia-specific ethics course within 60 days (as offered) • Suspension of license for 1 year • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement
Failure to meet the annual minimum 20 CPE hours in any given calendar year(s)	<ul style="list-style-type: none"> • Reprimand 	<ul style="list-style-type: none"> • \$250 monetary penalty • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$500 monetary penalty • 1,000-word essay on “Virginia statutes and regulations regarding CPE requirements and how they protect the public” • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken 	<ul style="list-style-type: none"> • \$750 monetary penalty • Suspension of license for 1 year • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement

Deficiency	1 st Case (self-report)	1 st Case (all others)	2 nd Case (all)	3 rd Case (all)
Failure to take 8 hours of Auditing and Attestation in any given calendar year(s)	<ul style="list-style-type: none"> • Reprimand • Submit proof of completion of current year's Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement 	<ul style="list-style-type: none"> • \$250 monetary penalty • Submit proof of completion of current year's Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken • (If deficient A&A for more than 1 calendar year) May not release or authorize the release of reports on attest, compilation, or financial statement preparation services for 1 year 	<ul style="list-style-type: none"> • \$750 monetary penalty • Submit proof of completion of current year's Virginia-specific ethics course within 60 days (as offered) • Must make up deficient CPE for each year of reporting period within 60 days, which does not count towards the current year requirement • Subject to CPE compliance review for subsequent 3-year reporting period that begins in the year disciplinary action is taken • (If deficient A&A for more than 1 calendar year) May not release or authorize the release of reports on attest, compilation, or financial statement preparation services for 2 years 	<ul style="list-style-type: none"> • \$1,250 monetary penalty • Submit proof of completion of current year's Virginia-specific ethics course within 60 days (as offered) • Suspension of license for 1 year • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement • (If deficient A&A for more than 1 calendar year) May not release or authorize the release of reports on attest, compilation, or financial statement preparation services for 3 years
False certifications on any given renewal application	(if deficient in the first or second year of the reporting period) <ul style="list-style-type: none"> • Reprimand • Submit proof of completion of current year's Virginia-specific ethics course within 60 days (as offered) 	<ul style="list-style-type: none"> • \$250 monetary penalty • Submit proof of completion of current year's Virginia-specific ethics course within 60 days (as offered) 	<ul style="list-style-type: none"> • \$250 monetary penalty • Submit proof of completion of current year's Virginia-specific ethics course within 60 days (as offered) • 1,000-word essay on "Ethical standards for CPAs and how they impact a CPA's interactions with the public and his regulator" 	<ul style="list-style-type: none"> • \$750 monetary penalty • Submit proof of completion of current year's Virginia-specific ethics course within 60 days (as offered) • Suspension of license for 1 year • Subject to CPE compliance review for subsequent 3-year reporting period following reinstatement

Deficiency		1 st Case (self-report)	1 st Case (all others)	2 nd Case (all)	3 rd Case (all)
CHOOSE ONE	Failure to respond within 30 days	• \$100 monetary penalty	• \$100 monetary penalty	• \$200 monetary penalty	• \$300 monetary penalty
	Failure to update mailing or email address within 30 days	• \$100 monetary penalty	• \$100 monetary penalty	• \$200 monetary penalty	• \$300 monetary penalty
	Failure to comply with terms and conditions of Board disciplinary action	• Suspension of license • Must come before the Board to be considered for reinstatement	• Suspension of license • Must come before the Board to be considered for reinstatement	• Suspension of license • Must come before the Board to be considered for reinstatement	• Suspension of license • Must come before the Board to be considered for reinstatement
	Failure to respond at all to a CPE compliance review	• Proceeding under Code of Virginia § 2.2-4019	• Proceeding under Code of Virginia § 2.2-4019	• Proceeding under Code of Virginia § 2.2-4019	• Proceeding under Code of Virginia § 2.2-4019